



THOMAS L. GARTHWAITE, M.D.
Director and Chief Medical Officer

FRED LEAF
Chief Operating Officer

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES
313 N. Figueroa, Los Angeles, CA 90012
(213) 240-8109 Fax (213) 240-8640

BOARD OF SUPERVISORS

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March 18, 2004

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**EMERGENCY MEDICAL SERVICES APPROPRIATION (EMSA) STANDARD
AGREEMENT FOR FISCAL YEAR 2003-04 (All Districts) (4 Votes)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and direct the Chair of the Board of Supervisors to sign the attached EMSA Standard Agreement to accept funds in the amount of \$9.8 million for the reimbursement of uncompensated emergency services provided by non-County physicians for the period of July 1, 2003 through June 30, 2004.
2. Delegate authority to the Director and Chief Medical Officer to approve and sign any amendments to the Fiscal Year (FY) 2003-04 EMSA Standard Agreement, upon review by County Counsel and provided the amendments do not have a significant fiscal impact on the County, and any other required EMSA reports or documents.
3. Approve a related appropriation adjustment in the amount of \$9.8 million to increase expenditure authority in the approved FY 2003-04 Department of Health Services Budget to distribute funds for reimbursement of care provided to eligible indigent patients pursuant to policies and procedures contained in the EMSA Standard Agreement.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS:

In approving these actions, the Board is 1) approving the EMSA Standard Agreement for FY 2003-04, 2) delegating authority to the Director and Chief Medical Officer to approve and sign any amendments to the FY 2003-04 EMSA Standard Agreement, upon review by County Counsel and provided the amendments do not have a significant fiscal impact on the County, and any other required EMSA reports or documents, and 3) approving a related appropriation

adjustment in the amount of \$9.8 million to increase expenditure authority in the approved FY 2003-04 Department of Health Services' Budget to reimburse non-County physicians for care provided to eligible indigent patients.

Execution of the EMSA Standard Agreement will allow the County to receive EMSA funds for FY 2003-04 for reimbursement of uncompensated emergency services provided by non-County physicians. These funds were made available through the passage of AB 1762, legislation intended to mitigate the crisis in emergency medicine currently being faced by emergency rooms throughout California as a result of insufficient funding to cover the cost of emergency services provided to uninsured and indigent patients. Receipt of the EMSA funds will provide some financial relief for emergency medicine physicians in Los Angeles County, thereby helping to ensure the continued availability of emergency medical services.

FISCAL IMPACT/FINANCING:

For FY 2003-04, the State has allocated a total of \$9.8 million in EMSA funds to Los Angeles County. As provided under AB 1762, the Department of Health Services, as the EMS Agency for Los Angeles County, will use these funds to reimburse non-County physicians for uncompensated emergency services. The Department will utilize up to 10% of the funds (or \$980,000) to cover the administrative costs associated with managing these EMSA funds, as allowed by provisions of AB 1762. There are no net County costs.

An appropriation adjustment in the amount of \$9.8 million is needed to provide the expenditure authority in FY 2003-04.

Any unused funds are to be refunded to the State, however, it is anticipated that the funds will be fully expended.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

On August 9, 2003, the California legislature enacted AB 1762 which allocates Proposition 99 funds to non-County emergency medicine physicians to help alleviate the growing crisis confronted by emergency rooms throughout the State as a result of inadequate funding to cover the cost of emergency services provided to uninsured and indigent populations. Statewide, for FY 2003-04, the bill appropriates \$ 24.8 million in Proposition 99 Tobacco Tax funds from the Cigarette and Tobacco Products Surtax Fund through the California Healthcare for Indigents Program (CHIP) and the Rural Health Services (RHS) Program accounts to reimburse non-County physicians for uncompensated emergency services. EMSA is separate from the existing CHIP and RHS Programs.

Upon execution of the EMSA Standard Agreement, the State will release funds in equal monthly payments. The same policies and procedures utilized to distribute funding under the

The Honorable Board of Supervisors
March 18, 2004
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current Proposition 99 and SB 612 physician programs will be utilized to distribute the EMSA funds. The EMSA Standard Agreement covers the period of July 1, 2003 through June 30, 2004. County Counsel has reviewed and approved the EMSA Standard Agreement.

CONTRACTING PROCESS:

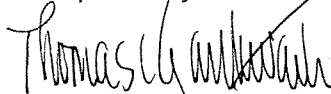
Not applicable.

IMPACT ON CURRENT SERVICES:

EMSA funds will help to ensure continued availability of emergency medical services in Los Angeles County.

The Department requires original signatures of the Chair of the Board of Supervisors on each of the two attached EMSA Agreements, and a Board-Adopted copy of this Board letter delegating authority to the Director and Chief Medical Officer to approve and sign any amendments to the EMSA Standard Agreement, and any other required reports or documents for the FY 2003-04 program.

Respectfully submitted,



Thomas L. Garthwaite, M.D.
Director and Chief Medical Officer

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Attachments

- c: Chief Administrative Officer
- County Counsel
- Executive Officer, Board of Supervisors
- Auditor-Controller

STANDARD AGREEMENT**EMERGENCY MEDICAL SERVICES APPROPRIATION (EMSA)****FISCAL YEAR 2003-04**

County of Los Angeles

The State of California, by and through the Department of Health Services (hereinafter called the "Department"), and the County of Los Angeles (hereinafter called "County"), do hereby agree as follows:

This Standard Agreement is entered into pursuant to the provisions set forth in Chapter 230, Statutes of 2003 (Assembly Bill 1762).

As a condition of receiving EMSA monies to reimburse physicians for uncompensated emergency services rendered in fiscal year (FY) 2003-04, the County agrees to all the following provisions:

I. Expenditure Requirements

- A. Use the Hospital Services Account (HSA), Physician Services Account (PSA) and Unallocated Account (UA) monies only for reimbursement of uncompensated emergency services as defined in Welfare and Institutions (W&I) Code, Section 16953.
- B. HSA funds may be deposited into an existing or new account at the discretion of the county to reimburse physicians for uncompensated emergency services consistent with the provisions of W&I Code, Section 16952.
- C. Transfer PSA and UA monies to the PSA in the County's Emergency Medical Services (EMS) fund, to reimburse physicians for uncompensated emergency services consistent with the provisions of W&I Code, Sections 16951 and 16952.
- D. Reimburse physicians for emergency services rendered during FY 2003-04.

II. Reporting Requirements

- A. Submit one progress report and one final report of expenditures and physicians data in accordance with the instructions provided by the Department. In addition, counties that submit a Report of Actual Financial Data must report the EMSA monies as an expenditure and revenue in the Actual, and report indigent data in their Medically Indigent Care Reporting System (MICRS).

- B. Maintain financial records of the expenditures and physicians data for at least three years after the end of FY 2003-04. These records will be subject to possible review and audit by the State.

III. General Requirements

- A. These monies are only for emergency services to patients who cannot afford to pay for those services, and for whom payment will not be made through any private coverage or by any program funded in whole or in part by the federal government. No physician shall be reimbursed more than 50 percent of losses.
- B. The monies shall not be used to reimburse physicians employed by county hospitals and physicians who provide services in a primary care clinic that receives funds from the Tobacco Tax and Health Protection Act of 1988 (Proposition 99).

IV. EMSA Contract Back Program (Rural Health Services Counties only)

RHS counties may have the Department administer their EMSA HSA and/or PSA/UA on their behalf.

V. Administrative Cost

Cost of administering HSA, PSA, and UA funds shall not exceed 10 percent of the total EMSA monies.

VI. Recoupment

EMSA monies shall be returned to the Department if they are not encumbered or expended within the fiscal year according to this Standard Agreement and the requirements of Chapter 5 (commencing with Sections 16930 and 16940) of Part 4.7 of Division 9 of the W&I Code. (W&I Code, Sections 16930 and 16940.)

VII. Dispute Resolution Process

- A. A County grievance exists whenever the County believes there is a dispute arising from the Department's action in the administration of an agreement. If the County believes there is a dispute or grievance between the County and the Department, both parties shall follow the procedure outlined below.
 - 1) The County should first discuss the problem informally with the Department's program manager. If the problem cannot be resolved at this stage, the County shall direct its grievance together with any evidence, in writing, to the program Branch Chief. The grievance shall state the issues in the dispute, the legal authority or other basis for the County's position

and the remedy sought. The Branch Chief shall make a determination on the problem within ten (10) working days after receipt of the written communication from the County. The Branch Chief shall respond in writing to the County indicating the decision and reasons therefore. Should the County disagree with the Branch Chief's decision, the County may appeal to the second level.

- 2) The County must prepare a letter indicating the reasons for disagreement with the Branch Chief's decision. The County shall include with the letter a copy of the County's original statement of dispute with any supporting documents and a copy of the Branch Chief's response. This letter shall be sent to the Deputy Director of the division in which the branch is organized within ten (10) working days from receipt of the Branch Chief's decision. The Deputy Director of the division funding this agreement or his/her designee shall meet with the County to review the issues raised. A written decision signed by the Deputy Director of the division funding this agreement or his/her designee shall be returned to the County within twenty (20) working days of receipt of the County's letter.

- B. Unless otherwise stipulated by the Department, dispute, grievance and/or appeal correspondence shall be directed to the Department program manager.

THIS AGREEMENT FOR FUNDING HAS BEEN APPROVED BY THE BOARD OF SUPERVISORS AND IS HEREBY EXECUTED.

State of California

County

Signature: _____

Signature: _____

Name: Gregory A. Franklin, M.H.A.

Name: _____

(Please print or type)

Title: Deputy Director, Health Information and Strategic Planning Division

Title: _____

Date: _____

Date: _____

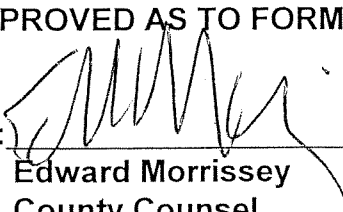
ORIGINAL

STANDARD AGREEMENT
EMSA MEDICAL SERVICES APPROPRIATION (EMSA)
FISCAL YEAR 2003-04
COUNTY OF LOS ANGELES

ATTEST: Violet Varona-Lukens
Executive Officer-Clerk of
the Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM:

By: 
Edward Morrissey
County Counsel

Date: 2/27/04

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FACT SHEET

Re: **EMERGENCY MEDICAL SERVICES APPROPRIATION STANDARD AGREEMENT FOR FISCAL YEAR 2003-04**

All Districts

CONTACT PERSON:

Allan Wecker, Chief, Fiscal Programs
Telephone Number: (213) 240-8109

SUBJECT:

Emergency Medical Services Appropriation (EMSA) Standard Agreement for the reimbursement of uncompensated emergency services provided by non-County physicians in the County of Los Angeles during Fiscal Year (FY) 2003-04.

REQUESTED ACTION:

The Board is being asked to 1) approve and direct the Chair of the Board to sign the EMSA Standard Agreement for FY 2003-04 for the County of Los Angeles, 2) delegate authority to the Director and Chief Medical Officer to sign any amendments, upon review by County Counsel and provided the amendments do not have a significant fiscal impact on the County, and any other required EMSA reports or documents for the FY 2003-04 program, and 3) approve a related appropriation adjustment of \$9.8 million to increase the expenditure authority in the FY2003-04 Department of Health Services Budget.

PROGRAM:

AB 1762 was enacted on August 9, 2003 to allocate Proposition 99 funds to provide funding for reimbursement of uncompensated emergency services provided by non-County physicians to the indigent population.

PROGRAM AMOUNT:

The State has allocated a total of \$9.8 million in EMSA funds to Los Angeles County for Fiscal Year 2003-04. Per AB 1762, the Department of Health Services, as the EMS Agency for Los Angeles County, will use these funds to reimburse non-County physicians for uncompensated emergency services. As allowed by provisions of AB 1762, the Department will utilize up to 10% of the funds (or \$980,000) to cover administrative costs of managing these EMSA funds. There are no net County costs.

TERMINATION PROVISION:

N/A

FACT SHEET (continued)

TERM:

The Standard Agreement covers the period of July 1, 2003 through June 30, 2004.

AUTOMATIC RENEWAL:

N/A

FIRST BOARD APPROVAL:

N/A

EXPIRATION:

June 30, 2004.

RETROACTIVE AGREEMENT:

N/A

RFP PROCESS:

N/A

SOLE SOURCE JUSTIFICATION:

N/A

SMALL BUSINESS WEBSITE:

N/A

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ADDENDUM TO BOARD LETTER
(For DHS Use Only)

SUBJECT: **EMERGENCY MEDICAL SERVICES APPROPRIATION (EMSA)
STANDARD AGREEMENT FOR FISCAL YEAR 2003-04**

PURPOSE: To submit a Board letter for the March 30, 2004 agenda recommending: 1) approval of and the Chair's signature on the EMSA Standard Agreement to accept funds in the amount of \$9.8 million for the reimbursement of uncompensated emergency services provided by non-County physicians for the period of July 1, 2003 through June 30, 2004, 2) delegation of authority to the Director and Chief Medical Officer to approve and sign any amendments to the EMSA Standard Agreement and any other required EMSA reports or documents for the Fiscal Year 2003-04 program, and 3) approval of a related appropriation adjustment in the amount of \$9.8 million to increase expenditure authority in the approved FY 2003-04 Department of Health Services' Budget to reimburse non-County physicians for care provided to eligible indigent patients.

SIGNIFICANT ISSUES:

At this time, there are no known issues associated with this Standard Agreement.

CHECKLIST OF APPROVALS: The following approvals will be obtained before the Board letter is filed.

a. Chief, Fiscal Programs:	Allan Wecker
b. Chief, Controller's Division:	Efrain Munoz
c. Deputy County Counsel:	Edward Morrissey
d. Acting Chief, Contracts & Grants:	Riley Austin
e. CAO, Budget Analyst:	Greg Polk

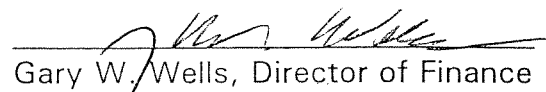
BOARD OFFICE CONTACTS:

There have been no known Board office contacts regarding this matter.

DHS CONTACT:

Allan Wecker, Chief, Fiscal Programs
Telephone: (213) 240-8109

NOTED AND APPROVED:


Gary W. Wells, Director of Finance
Department of Health Services